Remarks

Claims 1, 2, 5-8, 10-13, 16-18, 20-23, and 25-27 stand rejected. Claims 3, 4, 9, 14, 15, 19, and 24 were canceled in a previous response. Claims 2, 6, 13, 16, 22, 23, and 25-27 are canceled herein. Thus, claims 1, 5, 7, 8, 10-12, 17, 18, 20, and 21 remain pending. Claims 1, 7, 11, 12, 17, 18, 20, and 21 are amended herein. The Appellant respectfully traverses the rejection and requests allowance of claims 1, 5, 7, 8, 10-12, 17, 18, 20, and 21.

Reinstatement of Claims 1, 2, 5-8, 10-13, 16-18, 20-23, and 25-27

In a previous Decision on Appeal (hereinafter "the Decision"), the Board of Patent Appeals and Interferences (hereinafter "the Board") affirmed the rejection of claims 1, 2, 5-8, 10-13, 16-18, 20-23, and 25-27 of the present application. (Page 18 of the Decision.) The Board designated the affirmance as a new rejection within the meaning of 37 C.F.R. § 41.50(b), due to its reliance on prior art not cited by the Examiner. (Id.) In response, the Appellant submitted a response dated January 7, 2008 (hereinafter "the Most Recent Response") requesting cancellation of the pending claims and addition of new claims 28-41 to address the rejection.

The Notice was thereafter issued by the Office to indicate that new claims 28-41 were withdrawn from consideration under MPEP § 821.03 as being directed to a non-elected invention. (Page 4 of the Notice.) The Notice further indicated that the Most Recent Response was not entered due to being found non-responsive, thus causing claims 1, 2, 5-8, 10-13, 16-18, 20-23, and 25-27 to remain pending in the application, as these claims were presented prior to the Most Recent Response. (Id.) The Notice further states that "[a]ny 'Amendment' that Applicants now file should either reinstate claims 1-27 (as 'original', 'currently amended', or 'previously presented') or add only new claims to the subject matter originally presented." (Id.)

In response, the Appellant hereby reinstates claims 1, 2, 5-8, 10-13, 16-18, 20-23, and 25-27, amends claims 1, 7, 11, 12, 17, 18, 20, and 21, and cancels claims 2, 6, 13, 16, 22, 23, and 25-27, as discussed in greater detail below.

Claim Amendments

Independent claim 1 is amended to recite operations involving storing of the selected video advertising in video storage of a target viewer device, determining an insertion point in selected video content for the selected video advertising, and inserting the selected video advertising from the video storage into the video stream carrying the selected video content at the insertion point. Independent claim 12 is similarly amended. Support for the amendments may be found in the present application at least at Fig. 2, and at page 5, line 23, to page 7, line 4.

Claims 7, 11, 17, 18, 20, and 21 are amended in accordance with the amendments to claims 1 and 12.

Claims 2, 6, 13, 16, 22, 23, and 25-27 are canceled herein.

Claim Rejection Under 35 U.S.C. § 103

Claims 1, 2, 5-8, 10-13, 16-18, 20-23, and 25-27 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,718,551 to Swix et al. (hereinafter "Swix") in view of "NDS: NDS' XTV™ Time Shifting Technology Empowers the Viewer and the Broadcaster," M2 Presswire (Sept. 10, 1999) (hereinafter "XTV"), U.S. Patent No. 6,588,015 to Eyer et al. (hereinafter "Eyer"), and Digital Audio-Visual Council, "DAVIC 1.2 Specification Part 4, Delivery System Architecture and Interfaces" (1997) (hereinafter "DAVIC"). (Pages 3, 4, and 18 of the Decision.)

Generally, the new claims more explicitly describe the various operations of the distributed video advertising insertion system explicated in Fig. 2, as well at page 5, line 23, to page 7, line 4, of the present application. More specifically, amended independent claims 1 and 12 both include selecting video advertising that has a subject matter relation to the selected video content, determining an insertion point in the selected video content for the selected video advertising, and transferring the selected video content, the selected video advertising, and the insertion point to a target viewer device. The target viewer device receives the selected video content, the selected video advertising, and the insertion point, and stores the selected video advertising. The target viewer device also transfers the selected video content in a video stream to a display device, interrupts the

transfer at the insertion point, inserts the selected video advertising stored therein into the video stream, and then resumes the transfer of the selected video content.

The Appellant respectfully contends that the combination of Swix, XTV, Eyer, and DAVIC fails to teach or suggest all of the provisions of amended independent claims 1 and 12. For example, Swix proposes different models for delivering targeted advertisements to users via a set-top box depending on whether an interactive session (column 10, line 20, to column 12, line 59), or broadcast programming (column 12, line 60, to column 13, line 54) is involved.

For interactive sessions, through which a pay-per-view movie may be ordered, Swix discusses two specific ways in which advertising may be delivered: (1) through a viewer's use of an interactive menu screen (column 10, line 34, to column 11, line 57), and (2) via playlist advertisement insertion (column 11, line 57, to column 12, line 59). In the first case, an advertisement is displayed to the user after selection of one or more interactive menu items. (See Fig. 3.) The advertisement may be a bit map or a video advertisement, and may be either downloaded from a head-end at the time of selection or previously stored in the set-top box. However, in this example, the advertising is not displayed during any kind of selected video content, as set forth in claims 1 and 12, but is instead shown only during interaction with the set-top box menu system. Also, the use of insertion points is not discussed therein.

In the case of playlist advertisement insertion for interactive sessions, Swix employs the head-end to build a playlist (see Fig. 4), in which targeted advertisements are placed *before and after* a program, such as a movie. (See also column 11, lines 61-66.) As a result, Swix does not teach or suggest insertion points *in* a selected video content, as set forth in claims 1 and 12, but just provides a list of advertisements in a particular order surrounding a video program ordered by the viewer. Moreover, since insertion points in the selected video content are not involved, Swix also does not teach or suggest the interruption of the selected video content at the insertion points to insert the selected video advertising, as provided for in claims 1 and 12.

For broadcast advertisement insertion, Swix relies on switching between communication channels at the set-top box to deliver the advertising, with the head-end indicating to the set-top box by way of q-tones when the switching occurs (see column

13, lines 10-36). Also, one of the broadcast channels may be a channel broadcasting a continuous stream of advertisements. (Column 13, lines 37-46.) However, in this embodiment, Swix does not teach or suggest a target viewer device receiving selected content, advertising, and an insertion point, storing the advertising, delivering the content in a video stream, and then interrupting the selected content at the insertion point, inserting the stored advertising, and resuming the transfer the selected content, as provided in claims 1 and 12. Further, as this particular portion of Swix involves only broadcast programming, and not video content specifically selected by the viewer, the targeted advertising appears to be based only upon a previously-generated customer profile or demographic group of subscribers (see column 13, lines 24-29), and thus not upon the selected video content being transferred, as provided for in claims 1 and 12.

Thus, based at least on the foregoing, the Appellant contends that claims 1 and 12 are allowable in view of the combination of Swix, XTV, Eyer, and DAVIC, and such indication is respectfully requested.

In addition, dependent claims 5, 7, 8, 10, and 11 depend from independent claim 1, and claims 17, 18, 20, and 21 depend from independent claim 12, thus incorporating the provisions of each of these independent claims. Therefore, the Appellant asserts that claims 5, 7, 8, 10, 11, 17, 18, 20, and 21 are also allowable for at least the same reasons as those presented above in support of claims 1 and 12, and such indication is respectfully requested.

Claims 2, 6, 13, 16, 22, 23, and 25-27 are canceled herein, thus obviating the rejection as it pertains to these claims.

Therefore, in view of the above discussion, the Appellant respectfully requests withdrawal of the 35 U.S.C. § 103(a) rejection of claims 1, 2, 5-8, 10-13, 16-18, 20-23, and 25-27.

Conclusion

Based on the above remarks, the Appellant submits that claims 1, 5, 7, 8, 10-12, 17, 18, 20, and 21 are allowable. Additional reasons in support of patentability exist, but such reasons are omitted in the interests of clarity and brevity. The Appellant thus respectfully requests allowance of claims 1, 5, 7, 8, 10-12, 17, 18, 20, and 21.

The Appellant believes no fees are due with respect to this filing. However, should the Office determine fees are necessary, the Office is hereby authorized to charge Deposit Account No. 21-0765 accordingly.

Respectfully submitted,

Date: 03/31/2008   /Kyle J. Way/
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